

**RESOLUTION BY THE
COMMUNITY/DEVELOPMENT/HUMAN RESOURCES COMMITTEE**

02- R -1217

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A LOAN FUNDING AGREEMENT WITH VENTURECAP DEVELOPMENT, INC. (VENTURECAP) IN AN AMOUNT NOT TO EXCEED \$200,000 FOR THE REDEVELOPMENT OF PROPERTY LOCATED AT BRADFORD CHASE TOWNHOMES (INMAN STATION), 2000 PERRY BOULEVARD, INTO 106 FOR-SALE TOWNHOMES; CORRECTING ACCOUNT NUMBERS CONTAINED IN RESOLUTION 01-R-0868 WHICH PROVIDED ADDITIONAL FUNDING FOR THIS PROJECT; AND FURTHER, THE COMMISSIONER OF THE DEPARTMENT OF PLANNING, DEVELOPMENT AND NEIGHBORHOOD CONSERVATION IS AUTHORIZED TO SIGN THE NECESSARY DOCUMENTS TO CLOSE THE LOAN WITH VENTURECAP; AND FOR OTHER PURPOSES.

WHEREAS, the Multi-Unit Housing Loan Program and the Homeownership Assistance Program are on-going programs approved each year in the City of Atlanta Annual Action Plan designed to increase the supply of safe, sanitary and decent housing affordable for rent and purchase by low and moderate income families through the provision of low interest loans to for-profit, non-profit organizations and first-time homebuyers; and

WHEREAS, Resolution 01-R-0868, adopted by the City Council on November 19, 2001 and signed by the Mayor on November 27, 2001 approved a loan of \$300,000 to VentureCap Development, Inc. (Venture Cap), a for-profit corporation, to redevelop property located at 2000 Perry Boulevard (Council District 9), into 106 for-sale townhomes of which 30 units will be reserved for purchase by HOME income eligible families. Additionally Resolution 01-R-0868 stated the City Council's intent to approve funding in the amount of \$200,000 from the 2002 Homeownership Assistance Program as downpayment assistance for low and moderate purchasers of homes in the development; and

WHEREAS, VentureCap has requested approval for an allocation of \$200,000 from the Homeownership Assistance Program; and

WHEREAS, the staff of the Department of Planning, Development and Neighborhood Conservation has reviewed the request and found it in compliance with the program and underwriting guidelines of the Homeownership Assistance Program subject to environmental clearance and other terms and conditions identified herein; and

WHEREAS, Venture Cap is ready to begin implementation of the project and staff recommends commitment of funds from the 2002 Homeownership Assistance Program to the project; and

WHEREAS, Resolution 01-R-0868 identified an incorrect account number from which to charge and pay the \$300,000 allocated from the Multi-unit Housing Loan Program and said Resolution needs to be corrected to identify the correct account number.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA as follows:

Section 1. The Mayor is authorized to enter into a Loan Agreement with Venture Cap Development, Inc. in an amount not to exceed \$200,000 for the development of 106 units of mixed income housing for homeownership located at Bradford Chase Townhomes (Inman Station), 2000 Perry Boulevard, NW from the 2002 Homeownership Assistance Program. Assistance will be provided to the project ultimately as principal reduction assistance to low and moderate-income homebuyers. Said loan is to be charged to and paid from Account Number 1B01 529002 Y53P0506A22A.

Section 2. The terms of the loan shall be as follows:

- | | |
|-----------------------------|---|
| a) Interest Rate: | 0.00% per annum |
| b) Loan Servicing Fee: | 0.00% per annum |
| c) Term of the Loan: | 5 years |
| d) Security Interest: | Security deed on land and property improvements |
| e) Period of Affordability: | 10 years |

Section 3. The approval of this loan is subject to the following conditions:

- a) Receive environmental clearance from the Office of Grants Management.
- b) Comply with the conditions and required documents and due diligence checklist contained in the Loan Agreement.

Section 4. Section 1 of Resolution 01-R-0868 is hereby corrected and amended to read as follows: "Said loan is to be charged to and paid from Account Number 3P05 529002 Y53P0918A3L0".

Section 5. The Commissioner of the Department of Planning, Development and Neighborhood Conservation or his designee is authorized to sign the administrative documents necessary to close this loan.

Section 6. The loan agreement shall not become binding on the City and the City shall incur no liability until such time as the Council and the Mayor have approved this resolution and when all documents have been signed by the Mayor and Commissioner or his designee for the Department of Planning, Development and Neighborhood Conservation and delivered to the contracting parties.

TRANSMITTAL FOR LEGISLATION

To Mayor's Office Greg Pridgeon
(for review & distribution to Executive Management)

Commissioner Signature Philip Smith for Jim Polk

Director Signature Philip E. Smith

From: Originating Dept. Planning, Development
& Neigh. Conservation

Contact (name) Philip Smith

Committee of Purview Community Development
& Human Resources

Committee Deadline June 28, 2002

Committee Meeting Date(s) July 9, 2002

City Council Meeting Date July 15, 2002

CAPTION:

A RESOLUTION AUTHORIZING THE MAYOR TO ENTER INTO A LOAN FUNDING AGREEMENT WITH VENTURECAP DEVELOPMENT, INC. (VENTURECAP) IN AN AMOUNT NOT TO EXCEED \$200,000 FOR THE REDEVELOPMENT OF PROPERTY LOCATED AT BRADFORD CHASE TOWNHOMES (INMAN STATION), 2000 PERRY BOULEVARD, INTO 106 FOR-SALE TOWNHOMES; CORRECTING ACCOUNT NUMBERS CONTAINED IN RESOLUTION 01-R-0868 WHICH PROVIDED ADDITIONAL FUNDING FOR THIS PROJECT; AND FURTHER, THE COMMISSIONER OF THE DEPARTMENT OF PLANNING, DEVELOPMENT AND NEIGHBORHOOD CONSERVATION IS AUTHORIZED TO SIGN THE NECESSARY DOCUMENTS TO CLOSE THE LOAN WITH VENTURECAP; AND FOR OTHER PURPOSES.

BACKGROUND/PURPOSE/DISCUSSION:

The legislation authorizes the Mayor or her designee to enter into a loan agreement for Inman Station, a 106-unit townhouse development located at 2000 Perry Boulevard. The City Council originally approved this project for funding on November 19, 2001. The legislation also corrects an account number for funding.

FINANCIAL IMPACT (if any): _____

OTHER DEPARTMENT(S) IMPACTED: _____

Coordinated Review With: _____

Mayor's Staff Only

Received by Mayor's Office: 6/25/02
(date) JP

Reviewed: JP
(initials) (date)

Submitted to Council: _____

Action by Committee: ☐ Approved ☐ Adversed ☐ Held ☐ Amended
☐ Substitute ☐ Referred ☐ Other